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## LOCAL NEWS

### Info-Merlin

By **Dinah Cardin**  
Friday, January 9, 2004

He may be a college dropout, but 29-year-old infomercial magnate Donald Barrett of Beverly seems to have the magic touch. Just ask his bank book.

To have a conversation with Donald Barrett as he sits behind his desk, one has to see past a heavy silver award that says "Believe and act as if it were impossible to fail."

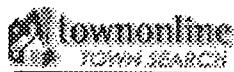
A gift from his management team, the saying would seem the 29-year-old CEO's mantra, especially since his fledgling company, ITV Direct, is expecting even bigger things in 2004. Which is amazing, when you consider that the infomercial marketing company has already earned \$150 million in its first two years.

Many have already heard about the Saugus native's fast fortune. Barrett can make money in his sleep, he laughs, because his face can be seen on a TV infomercial somewhere in this country every half hour, and the call center in Beverly's Cummings Center is open for calls seven days a week, 'round the clock. While the industry averages a 20 to 30 percent closing rate and \$60 per sale, ITV Direct more than doubles those numbers.

Though he has already produced three incredibly popular shows in the surprisingly cutthroat world of infomercials, Barrett is seeing big things on the horizon. Beginning this month, his infomercials, selling dietary supplements, will air in 60 countries, which could lead the former Sachems quarterback on some exotic travels.

"Three years ago, I didn't know there were 60 other countries," he says. "I can create a show downstairs and broadcast it all over the world. When you open up a restaurant," says the former restaurant worker, "you have the business of that whole town. When I have something winning on TV, I have an unlimited marketplace."

His position already has the young CEO trekking to California, where he talks to networks about buying media time to air his shows in the U.S. A few of the shows are translated to Spanish and others will be soon.



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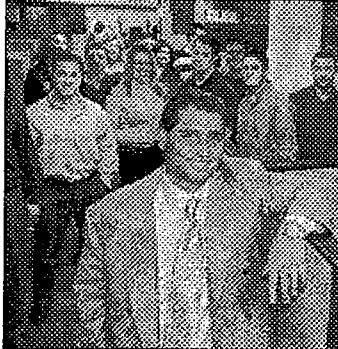


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Donald Barrett joins his 'inbound sales representatives' at Cummings Center. Barrett says he offers his employees a chance to get in on the 'ground floor' of a booming business. (Staff Photo By Toni Carolina)

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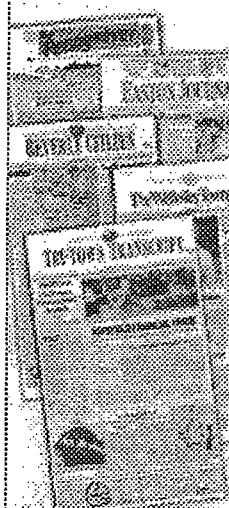
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And then there's the thing that he hopes will revolutionize the direct marketing business. To help people wade through the confusion surrounding nutrition, this month his company will launch a customized vitamin based on information supplied by the customer.

Each customer will have a vitamin specially concocted, based on age, prescription medication intake and on the results of a test kit the company will mail out, which is basically a urinalysis. The business part is this: The company's sales reps are able to get in on the ground floor as "direct distributors." This is an effort to give back, says Barrett, since they helped him get where he is today. Becoming direct distributors with the ability to work from home, the earning potential, he claims, is \$70,000 a month. It would allow them to build up a network of their own customers, but also to benefit from the infomercials.

Not that many of them aren't enjoying the ride already. Ten percent of Barrett's sales staff earn the annual equivalent of a six-figure salary. Though they start at \$10 an hour, they often move up to \$25 or \$35 an hour.

His sales reps are there to provide more information on the product, says Barrett, and aren't just taking sales calls.

"When people call, they are not necessarily going to buy," he says, which means those manning the phones certainly have to be knowledgeable about the product.

What makes his company different from Herbalife or Amway, says Barrett, is that people are watching the show and making the call on their own. It's not about hitting up friends and family.

Given current downturns in the job market, he's been able to choose from a much larger candidate pool. The company spread the word in October for 100 new sales reps. Now, when companies all around have suffered recent layoffs, ITV Direct is looking to hire 50 more employees to fill a darkened room with cubicles, computers and phones, ready to rock and roll.

Another calling center down the hall is an example of the kind of action the company has seen. Young college students and older retiree types sit side by side. The phones ring and a flashing board tells them how many calls are waiting in the queue.

Barrett smiles. This means money.

Walking down the hallway, Barrett throws out first names, warmly greeting sales reps. He bumps into relatives who call ITV their place of employment, including an aunt, sister-in-law and his sister.

Though he says success has changed him too much, there are some things that are different. Showing off the its silky lining, Barrett says he's always wanted this particular \$4,000 suit that he bought during a trip to Las Vegas. His Beverly home sits on 11 acres and he drives expensive cars. A dream he's still holding out for: his own plane at Beverly airport.

Barrett has also done his share of giving. He has landscaped his parent's yard and enjoys giving them expensive gifts.

"What you give out in life, you get back," he says. "They always say money is the root of all evil, when really the love of money is the root of all evil."

Thinking big

Though he's getting used to the green stuff, Barrett didn't follow the usual path of a self-made millionaire. He attended three different colleges before quitting and worked 90-hour weeks in the restaurant biz, at Prince Pizza and a Peabody Italian eatery. But even with that work schedule he had to hide from his longtime girlfriend every Christmas, because he couldn't afford to buy her a ring.

Fast forward to today and Mrs. Barrett has the ring, a new house in Beverly and a baby girl. But she didn't get these things by not standing by her man. Before achieving this life of luxury, the couple had to share a blow-up mattress every night for four years.

It was the book "The Magic of Thinking Big" by David J. Schwartz, Ph.D. that Barrett credits for changing his life several years ago. Concentrating on thinking big, he began working as a distributor for other Infomercial companies, buying their products wholesale and selling them from his mother's house. The 800 numbers were pointed at his bedroom, where he answered three ringing phones at odd times of the day and night for five years, sleeping only a few hours in between.

Looking back on the days of working in his mother's house - when she put in 14-hour days typing in data entry, and the couple would scrounge loose change to afford the coffee that kept them awake odd hours to answer the ringing phones - Barrett's wife Susan is still amazed.

Her then-boyfriend never seemed to make any money, but never gave up either.

"He would go do his job that I never saw any money from. He would always say it would get better. At that point, you just want better now. Was I supportive? Of course. Did I know this is exactly what he wants? Of course. But when we wanted to pay bills, it was hard to understand. I wouldn't have stuck with it. I'm glad he did. He always saw past what we were doing right then. I thank God that he didn't give up."

When her son first asked to start a little phone business from her home, Eileen Barrett was leery, because she wanted him to get a "real job."

She remembers seeing her son and his buddies emerge from their work room every time the smell of her cooking wafted upstairs. "They didn't have too much money to spend on takeout," she recalls.

But once it took off, everything happened so quickly, she says. She and Barrett's father were away in Florida for the winter. When they came back, the business was out of their home and off and running in its new corporate setting.

"We kept asking, how did he know how to do all of this?" she says.

Her son was always ambitious, she says. He's still the same person, though he's under a lot of pressure now, she says.

"He's still my little baby," she says of her youngest of five.

#### A 'special' company

It was the dietary supplement CoralCal that really made the phones ring. Made from coral reefs in Okinawa, Japan, researchers have said the product contains minerals that have helped Okinawans live longer.

According to Dr. Robert Barefoot, who endorses CoralCal, calcium aids the body in almost every way, from strengthening the immune system to preventing aches and pains.

Though he always had an interest in health, it was his father and brother being diagnosed with cancer on the same weekend that began pushing Barrett to help others with their ailments. His organic products, meant to make the body more alkaline, are aimed to aid in curing diseases.

Though his brother eventually passed away, his father has been in remission for three years and is taking the products that Barrett says he would never sell if he didn't believe in them. One of the featured products, a green vegetable supplement called Supreme Greens, supposedly equates to about two pounds of green vegetables.

When others tried to crush his dream of a successful business, it was his father who always believed him, Barrett says, emotion in his voice.

Once the budding business got to be too big for a one-man job, Barrett employed friends and neighbors, until he outgrew the house and had to move into the company's current corporate digs, where today it occupies several different spaces for the call center, customer service, video production, editing suites and packing and distribution.

"I had to beg, borrow and steal to produce my first show. Everyone says don't put all your eggs in one basket," he says smiling, though that's exactly what he did.

Because it's all under one roof, Barrett says he saves on the middle man many times over, and that means saving money. He says he can produce one infomercial for under \$10,000, while the average half-hour show costs runs \$125,000 to \$650,000, according to the Direct Marketing Association.

Greg Sarnow, of the Direct Response Academy in Austin, Texas, an organization that trains telemarketing companies, calls ITV Direct a "special" company, because everything is done in house.

"He takes calls, sends people their products and doesn't outsource any of it, which is extremely unusual in this industry," notes Sarnow.

Sarnow also attributes Barrett's success to finding products that help people and that they end up continuing to use.

"He's great at finding good products that people really benefit from. Not many people can say that. That's why he has created such as great company because he's chosen products that really help people," Sarnow says. "It's not about being shrewd or clever. Its' about great products and he really cares about that."

#### Host likely to succeed

Meanwhile, because he didn't feel he could call himself successful in the infomercial business until he was on one, Barrett is now the host of all the shows. The actors, who cost him money anyway, weren't asking the right questions.

The infomercials, shot in a talk show format Barrett likens to "Larry Kings Live," features Barrett at a news desk before a Boston skyline, speaking into a 1950s microphone, interviewing various medical professionals on the benefits of his products. This way, it's informative and not pushy, he says. "I may not bring up the product until we're fifteen minutes into it."

Barrett believes his story can serve as an inspiration to others who are so close they can taste it, but who feel like giving up when times are tough. When he started out, he had partners who gave up just before the payoff.

"There were days when we didn't have the money to pay ourselves and they couldn't live with that," he says. "They couldn't envision what it is today, like I could envision what it is today."

When asked what his day is like, Barrett answers, "Which day?"

Some days he walks around and oversees the buzzing activity. On an upcoming day this winter, he will film another infomercial at Universal Studios in Florida.

And when marketing companies, similar to his own, now ask him to speak at motivational meetings, he wants to accept the invitations more often. But he's too busy.

After all, he has a company to run.

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